

Changes to the preservation age from 1 July 2015

From 1 July 2015 changes will be introduced to the age 55 preservation condition that must be satisfied in order to gain access to super benefits.

Anyone born between July 1, 1960 – which currently makes them 54 – and June 30, 1961 – which currently makes them 53 – will have to preserve their super and wait until they turn 56 before they can have the same superannuation access rights as someone who is already 55.

Someone born on June 30, 1960, who will be 55 on their birthday this year, can access their super immediately as long as they also retire and never intend to work again. Now, someone born on a July 1, 1960, must wait until they turn 56.

Members planning for retirement or transitioning into retirement will need to be aware of this change to the preservation age and ensure it is factored in when planning.

Going forward

In addition, the age 55 super access age will stretch out even more over each of the next five years as the preservation age, increases by a year in 12-month increments. This means that if you were born between July 1, 1961 and June 30, 1962, your access or preservation age will be 57.

For those born between July 1, 1962 and June 30, 1963, it will become 58 and where birth dates are between July 1, 1963 and June 30, 1964, it will be 59. Where a super fund member was born on or after July 1, 1964, their benefit access age is 60.

This will be the new longer-term preservation age that will replace age 55 going forward.

These changes are likely to see a range of preservation ages within a family where someone born in August 1958 can access their super at any time because their preservation age was 55 whereas someone born in October 1960 must wait until they are 56.

A younger member born in July 1965, who is currently 49, must however wait until they are 60.

Preservation age

After 30 June 1964	60
1 July 1963 to 30 June 1964	59
1 July 1962 to 30 June 1963	58

1 July 1961 to 30 June 1962	57
1 July 1960 to 30 June 1961	56
Before 1 July 1960	55

Conditions of release

There are other conditions which will allow you or your dependents to access all or some of your super. You'll have to meet one of these conditions*:

- Be 65 years old;
- Retire permanently on or after your preservation age;
- Leave employment or change employers on or after 60;
- Die, or become permanently disabled;
- Meet the legal requirements for severe financial hardship;
- Meet the compassionate grounds requirement as assessed by the Department of Human Services;
- Leave employment and your super has a restricted non-preserved component;
- Leave employment and your preserved benefit is less than \$200;
- Are a temporary resident holding an eligible class of visa and have permanently left Australia;
- Suffer from a terminal medical condition; or
- Meet one of our other conditions for release for preserved money under super law.

**Subject to additional criteria.*

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